

No Coverage for Claim Reported After Claims-Made-and-Reported Period

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Applying Louisiana law, the United States District Court for the Eastern District of Louisiana has held that no coverage is available under either of two claims-made-and-reported policies for a claim made within the earlier policy period but reported to the insurer in the later policy period. *Murray Architects, Inc. v. Scottsdale Ins. Co.*, 2011 WL 5878148 (E.D. La. Nov. 23, 2011).

An insured architect had a professional liability insurance policy for the claims-made-and-reported period of November 19, 2008 to November 19, 2009, with an extended reporting period through January 19, 2010. The architect later renewed the policy for the policy period of November 19, 2009 to November 19, 2010. One of the architect's former clients made an arbitration demand on April 8, 2009, but the architect did not provide notice of the demand to the insurer until November 3, 2010. The insurer denied coverage for the claim under both policies.

In the architect's subsequent action seeking a declaratory judgment regarding coverage, the insurer moved for summary judgment. The court granted the insurer's motion, finding that neither policy afforded coverage for the claim. The claims-made-and-reported policies required notice to the insurer during the policy period or extended reporting period of any claims made within the policy period. Because the arbitration demand was a claim made within the policy period of the first policy, the court held that the architect was required to report it to the insurer no later than January 19, 2010, the end of the first policy's applicable extended reporting period. Because the architect failed to do so, no coverage was available under the first policy. In addition, the second policy was deemed inapplicable because the claim was not made within that policy period.